

**CIM CONTRACT PAYMENT  
FUTURE FUNCTION**

Future Contract Payment Mission Statement (1.1.1.1): Verify that payment terms and conditions of the contract or like-agreement have been met; ascertain the monetary entitlement due the payee; ensure that payments are scheduled and approved for timely release according to laws and regulations; and assure integrity and availability of associated information for customers and other users.

Future Contract Payment Narrative Scope: The Contract Payment function begins with a requirement for payment. It ends when all payment terms and conditions of the contract or like agreement have been met and associated information has been provided. Exclusions are not limited to, but will include, all obligating, disbursing and financial reporting functions, which will be covered by the Financial Operations CIM group.

**CIM CONTRACT PAYMENT  
FUTURE CUSTOMERS**

**Customer: fc Acctg Ofc**

fc ACCOUNTING OFFICES (1.1.1.2)--Organizations that control and maintain official accounting records.

**Customer: fc Cntrctg Ofcr**

fc CONTRACTING OFFICERS (1.1.1.2)--Individuals with a warrant and the authority to enter into (Procurement Contracting Officer), administer (Administrative Contracting Officer), and/or terminate contracts (Termination Contracting Officer) and make related determinations and findings.

**Customer: fc Dsbrsg Ofc**

fc DISBURSING OFFICES (1.1.1.2)--Organizations that are authorized to make outlays and deposit receipts.

**Customer: fc Invntry Ctrl Pnt**

fc INVENTORY CONTROL POINTS (1.1.1.2)--Organizational elements responsible for system-wide direction and control of materiel. Acts as a buyer and seller.

**Customer: fc Ordr Acptg Ofcl**

fc ORDER ACCEPTING OFFICIALS (1.1.1.2)--Individuals at the performing activity with the authority to sign like agreements.

**Customer: fc Ordrg Ofcl**

fc ORDERING OFFICIALS (1.1.1.2)--Individuals likened to a contracting officer performing similar functions in relation to like agreements (to include reimbursable work for NAF instrumentalities).

**Customer: fc Vndr/Cntrctr/Spplr**

fc VENDORS/CONTRACTORS/SUPPLIERS (1.1.1.2)--Individuals or government or non-government organizations that sell goods and/or services to an element within Department of Defense.

**CIM CONTRACT PAYMENT  
FUTURE PRODUCTS/SERVICES**

**Product/Service: fp Acct Pybl**

fp ACCOUNTS PAYABLE (1.1.1.2)--Amounts owed by the accounting office for goods and services received (Ref: DoD 7220.9-M).

**Product/Service: fp Acct Rcvbl**

fp ACCOUNTS RECEIVABLE (1.1.1.2)--Amounts owed to the accounting office.

**Product/Service: fp Acptnc Reprt Info**

fp ACCEPTANCE REPORT INFORMATION (1.1.1.2)--A formal certification that the goods or services have been received and that they conform to the terms of the contract or like agreement (Ref: DoD 7220.9-M).

**Product/Service: fp Answr To Extrl Inqry**

fp ANSWERS TO EXTERNAL INQUIRIES (1.1.1.2)--Responses to requests for information concerning entitlements and related data.

**Product/Service: fp Aprvd Pymt**

fp APPROVED PAYMENTS (1.1.1.2)--Entitlement authorizations that are forwarded to disbursing for release.

**Product/Service: fp Cntrct/Like Agrmt Info**

fp CONTRACT AND LIKE AGREEMENT INFORMATION (1.1.1.2)--Data which influences and/or controls payment. It includes, but is not limited to payment terms and conditions, obligation amount, accounting classification data, items, quantity ordered, unit price, discount terms, payee name and address, FOB and acceptance points, etc.

**Product/Service: fp Dsbrsmt Info**

fp DISBURSEMENT INFORMATION (1.1.1.2)--Data that identifies a specific approved payment (e.g. amounts paid, cancelled or voided; voucher number; check number; date of payment).

**CIM CONTRACT PAYMENT  
FUTURE PRODUCTS/SERVICES**

**Product/Service: fp Dstrbtd Clctn Data**

fp DISTRIBUTED COLLECTION DATA (1.1.1.2)--Lowest level of information that is necessary for distribution of funds from suspense accounts to the proper accounts.

**Product/Service: fp Entlmt Reprt**

fp ENTITLEMENT REPORTS (1.1.1.2)--Scheduled or as required compilations of information.

**Product/Service: fp Expndtr Authrty**

fp EXPENDITURE AUTHORITY (1.1.1.2)--Approval to make disbursements against funds on deposit with the U.S. Treasury.

**Product/Service: fp Extrnl Inqry**

fp EXTERNAL INQUIRIES (1.1.1.2)--Requests for entitlement information initiated outside the contract payment function.

**Product/Service: fp Pymt Reqst**

fp PAYMENT REQUESTS (1.1.1.2)--Notifications that constitute a contractor's/vendor's/supplier's demand for payment.

**Product/Service: fp Rcncln Of Acct**

fp RECONCILIATION OF ACCOUNTS (1.1.1.2)--Information necessary to bring accounts into agreement.

**Product/Service: fp Resltn Of Unmtchd Cndtn**

fp RESOLUTION OF UNMATCHED CONDITION (1.1.1.2)--The information obtained or provided to complete the entitlement determination or collection distribution.

**Product/Service: fp Retrnd Pymt Reqst**

fp RETURNED PAYMENT REQUESTS (1.1.1.2)--Payment requests that did not pass validation and subsequently were returned to the originator.

**CIM CONTRACT PAYMENT  
FUTURE PRODUCTS/SERVICES**

**Product/Service: fp Undstrbtd Clctn**

fp UNDISTRIBUTED COLLECTIONS (1.1.1.2)--Monies received by the Accounting Office from contractors/vendors/suppliers that are deposited in a suspense account, pending determination of the accounts to which the monies are to be applied.

**CIM CONTRACT PAYMENT  
FUTURE INTERNAL INTERFACES**

**Internal Interface: fi Anlys/Recncltn Unit**

fi ANALYSIS AND RECONCILIATION UNIT (1.1.1.2)--Takes necessary action to obtain missing information or to correct erroneous information in a timely manner; and facilitates application of collections to the proper accounts.

**Internal Interface: fi Cstmr Svc Unit**

fi CUSTOMER SERVICE UNIT (1.1.1.2)--Answers external inquiries pertaining to entitlement; and provides consolidated information necessary for ad-hoc reports.

**Internal Interface: fi Entlmt Dtrmntn Unit**

fi ENTITLEMENT DETERMINATION UNIT (1.1.1.2)--Reviews entitlement data; determines if payment terms and conditions have been satisfied; and determines gross amount due.

**Internal Interface: fi Mssn Mgt**

fi MISSION MANAGEMENT (1.1.1.2)--Receives/reviews contractual payment quantitative and qualitative data and provides direction for the payment process.

**Internal Interface: fi Pymt Reqst Ctrl Unit**

fi PAYMENT REQUEST CONTROL UNIT (1.1.1.2)--Receives invoices, billings, progress and advance payment requests and vouchers; checks validity of information; records date of receipt; and maintains status of payment requests.

**Internal Interface: fi Pymt Schdlg Unit**

fi PAYMENT SCHEDULING UNIT (1.1.1.2)--Controls pending payments; programs pending payments for disbursement in accordance with law and regulatory guidance (for the designated payment medium); determines net amount due; determines prompt payment interest or penalty due; and approves payment for release.

**CIM CONTRACT PAYMENT  
FUTURE EXTERNAL INTERFACES**

**External Interface: fx Acptnc Actvty**

fx ACCEPTANCE ACTIVITIES (1.1.1.2)--Individuals or organizations that take title to goods or services for the government (e.g., Contracting Officer's Technical Representative/Contracting Officer's Representative, Quality Assurance Representative).

**External Interface: fx Bdgt Ofc**

fx BUDGET OFFICES (1.1.1.2)--Organizations responsible for the formulation, execution, and control of resources (appropriated and reimbursable).

**External Interface: fx Cong**

fx CONGRESS (1.1.1.2)--Elected Representatives of the U.S., their staffs, and General Accounting Office (GAO) (embraces the roles of appropriation, inquiry and oversight).

**External Interface: fx Dfns Cntrct Audit Agcy**

fx DEFENSE CONTRACT AUDIT AGENCY (1.1.1.2)--The agency providing information regarding a contractor's cost/price development. It is responsible for certifying the contractor's accounting system, auditing incurred costs, and reviewing the contractor's estimating system. Similar functions may be performed by other audit organizations.

**External Interface: fx Frgn Mltry Sale Mgr**

fx FOREIGN MILITARY SALES MANAGERS (1.1.1.2)--Individuals ultimately responsible for the implementation and control of agreements for goods and services furnished to foreign countries.

**External Interface: fx Lgl Ofc (SJA)**

fx LEGAL OFFICES (STAFF JUDGE ADVOCATES) (1.1.1.2)--Activities that render legal opinions or decisions on claims for or against the Federal Government.

**External Interface: fx Non DoD Govt Agcy**

fx NON DOD GOVERNMENT AGENCIES (1.1.1.2)--Government activities outside DoD (Federal, State, Local, International).

**CIM CONTRACT PAYMENT  
FUTURE EXTERNAL INTERFACES**

**External Interface: fx Progrm Mgr**

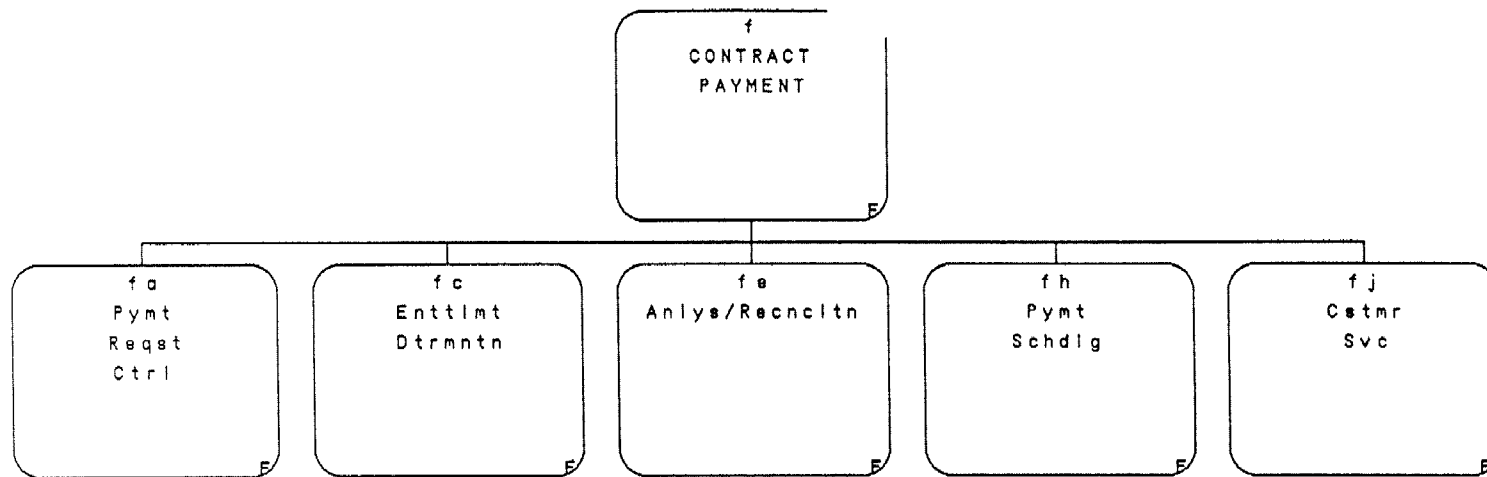
fx PROGRAM MANAGERS (1.1.1.2)--Individuals responsible for the implementation and control of agreements at the lowest financial level. Depending on funding, this may be an individual project or group of projects.

**External Interface: fx Prvt Intrst**

fx PRIVATE INTERESTS (1.1.1.2)--Individuals or organizations, other than customers, generating inquiries (e.g., taxpayers and media).

**External Interface: fx Trnsprtn Ofcr**

fx TRANSPORTATION OFFICERS (1.1.1.2)--Individuals responsible for validating transportation charges on vendor invoices referred by the contract payment function.



f CONTRACT PAYMENT

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**CIM CONTRACT PAYMENT  
FUTURE FUNCTIONAL ACTIVITIES**

**Functional Activity: fa Pymt Reqst Ctrl**

fa PAYMENT REQUEST CONTROL (1.1.1.2)--Receive, verify, and manage requests for payment on contracts/like agreements.

**Functional Activity: fc Enttlmt Dtrmntn**

fc ENTITLEMENT DETERMINATION (1.1.1.2)--Review information to assure that payment terms and conditions have been satisfied. Determine gross amount due.

**Functional Activity: fe Anlys/Recncltn**

fe ANALYSIS AND RECONCILIATION (1.1.1.2)--Expeditionously resolve missing or erroneous information pertaining to contractual payments. Facilitate distribution of collections to the proper accounts.

**Functional Activity: fh Pymt Schdlg**

fh PAYMENT SCHEDULING (1.1.1.2)--Manage pending payments in accordance with law and regulatory guidance; determine prompt payment interest and/or penalty due; determine net amount due; and certify for release.

**Functional Activity: fj Cstmr Svc**

fj CUSTOMER SERVICE (1.1.1.2)--Answer inquiries regarding entitlement and reporting requirements.

**CIM CONTRACT PAYMENT  
FUTURE POLICIES**

**Policy: fp Info Shrg**

fp INFORMATION SHARING (1.1.1.2)--Contract payment information will be available to all customers and interfaces.

**Policy: fp Nonrplctn**

fp NONREPLICATION (1.1.1.2)--Contract payment will not reproduce data available from another source.

**Policy: fp Src Data**

fp SOURCE DATA (1.1.1.2)--Information required to perform the contract payment function will be accessed at source when possible.

**Policy: fp Stndrd Gdnc**

fp STANDARD GUIDANCE (1.1.1.2)--Contract Payment will use a single set of Department of Defense regulations sufficient for execution at the lowest level.

**Policy: fp Stndrd Sys**

fp STANDARD SYSTEM (1.1.1.2)--A single standard system will be used for payment of contracts and like-agreements.

**Policy: fp Sys Invtn**

fp SYSTEM INNOVATION (1.1.1.2)--The contract payment system will incorporate industry standards where practicable and provide appropriate system security for all levels of access.

**CIM CONTRACT PAYMENT  
GUIDING PRINCIPLES**

**Guiding Principle: g Mxmz Autmtn**

g MAXIMIZE AUTOMATION (1.1.2.2)--Contract payment will maximize the use of automation and latest technologies.

**Guiding Principle: g Mxmz Cstmr Stsfctn**

g MAXIMIZE CUSTOMER SATISFACTION (1.1.2.2)--Contract Payment will maximize customer satisfaction.

**Guiding Principle: g Prmt Cntns Imprvmt**

g PROMOTE CONTINUOUS IMPROVEMENT (1.1.2.2)--Contract Payment will promote an atmosphere for continuous improvement in the payment process.

**Guiding Principle: g Prmt Qlty**

g PROMOTE QUALITY (1.1.2.2)--Contract Payment will promote a quality work environment.

**Guiding Principle: g Prvd Cntns Trng**

g PROVIDE CONTINUOUS TRAINING (1.1.2.2)--Contract Payment will provide current and continuous training to ensure a quality professional workforce.

## **CIM CONTRACT PAYMENT TRENDS AND IMPACTS**

### **FUNCTIONAL TRENDS AND IMPACTS**

**TREND: Consolidation**

- Produces Standardization
- Provides Opportunity for Economies of Scale
- Requires Fewer Personnel

**TREND: Credit Cards**

- Eliminates Imprest Funds
- Streamlines Purchasing
- Consolidates Disbursements

**TREND: Electronic Commerce**

- Results in More Timely and Accurate Information
- Reduces Reliance on Paper and Supporting Systems
- Increases Efficiency

### **MANAGEMENT PHILOSOPHY TRENDS AND IMPACTS**

**TREND: Emphasis on Quality**

- Requires Improved Efficiency and Accuracy
- Requires Changing Mind-set and Methods
- Increases Training/Skills
- Requires High Level of Effort

**TREND: Standardization**

- Reduces Personnel
- Facilitates Employee Mobility
- Increases Efficiency
- Improves Communications
- Reduces Parochialism
- Lessens Opportunity for Creativity

## **CIM CONTRACT PAYMENT TRENDS AND IMPACTS**

### POLITICAL TRENDS AND IMPACTS

TREND: Changing Threat

- Requires Flexibility and Responsiveness
  - Force Structure Changes
  - Fluctuating Defense Employment
  - Fluctuating Contract Volume
  - Fluctuating Contract Payments
  - Fluctuating Foreign Currency Contracts
- Results in Budgetary Changes

TREND: Congressional Action

- Promotes More Expedient Payments
- Promotes Varied Financing Methods
- Changes Laws
- Increases Accountability
- Generates Additional Information Requirements

TREND: Department of Defense (DoD) Restructuring

- Promotes Innovative Contracting and Financing
- Increases Contracting Out
- Causes Fluctuating Inventories
- Results in Standardization/Consolidation/Streamlining

TREND: International Competition

- Creates New Payment Practices
- Increases Business Complexity
- Increases Foreign Currency Payments

TREND: Public Awareness

- Results in Congressional Attention

### SOCIAL TRENDS AND IMPACTS

TREND: Changing Workforce Demographics

- Requires Emphasis on Quality
- Requires Specialized Training
- Necessitates Creative Personnel Practices
- Necessitates Changes in Motivational Methods

## **CIM CONTRACT PAYMENT TRENDS AND IMPACTS**

TREND: Environmental Concerns

- Increases Complexity of Contracts
- Improves Quality of Life
- Reallocates Funds

## **TECHNOLOGY TRENDS AND IMPACTS**

TREND: More Automated Processes

- Requires Fewer Personnel
- Requires More Training
- Necessitates Highly Skilled Workforce
- Requires Increased Computer Acceptance
- Facilitates Single Source Data
- Requires Higher Level of Effort
- Increases Capability for More Timely and Accurate Information

**CIM CONTRACT PAYMENT  
TRENDS**

**Trend: tf Cnsldtn**

tf CONSOLIDATION (1.1.3.1)--Under Defense Management Review, consolidation will continue.

**Trend: tf Crdt Cards**

tf CREDIT CARDS (1.1.3.1)--Credit cards will become a standard method of purchase within Department of Defense.

**Trend: tf Elctrnc Cmrc**

tf ELECTRONIC COMMERCE (1.1.3.1)--Department of Defense increasingly will rely on electronic means for transmission of financial data.

**Trend: tm Emphs On Qlty**

tm EMPHASIS ON QUALITY (1.1.3.1)--Department of Defense will use all measures available to improve quality, e.g. TQM.

**Trend: tm Stndrdztn**

tm STANDARDIZATION (1.1.3.1)--Department of Defense will continue to standardize by maximizing automation.

**Trend: tp Chngg Thrt**

tp CHANGING THREAT (1.1.3.1)--Continuing political unrest will affect the perception of threat to national security.

**Trend: tp Cngrsnl Actn**

tp CONGRESSIONAL ACTION (1.1.3.1)--Congressional action will continue to influence the contract payment function.

**Trend: tp DoD Restrctrng**

tp DEPARTMENT OF DEFENSE (DoD) RESTRUCTURING (1.1.3.1)--DoD will continue to restructure to achieve efficiencies.

**Trend: tp Interntnl Cmpetn**

tp INTERNATIONAL COMPETITION (1.1.3.1)--International competition will continue to grow.

**CIM CONTRACT PAYMENT  
TRENDS**

**Trend: tp Pblc Awrns**

tp PUBLIC AWARENESS (1.1.3.1)--The public will continue to focus on Department of Defense activities.

**Trend: ts Chngg Wrkfrc Demogrphcs**

ts CHANGING WORKFORCE DEMOGRAPHICS (1.1.3.1)--Changing workforce demographics will challenge Department of Defense management.

**Trend: ts Envrnmtl Cncrn**

ts ENVIRONMENTAL CONCERNS (1.1.3.1)--Environmental concerns will require greater allocation of Department of Defense resources.

**Trend: tt More Autmtd Procs**

tt MORE AUTOMATED PROCESSES (1.1.3.1)--Use of automated processes will escalate.

**CIM CONTRACT PAYMENT  
IMPACTS**

**Impact: i Causes Flctg Invntry**

i CAUSES FLUCTUATING INVENTORIES (1.1.3.1)--

**Impact: i Chngs Law**

i CHANGES LAWS (1.1.3.1)--

**Impact: i Cnsldt Dsbrsmt**

i CONSOLIDATES DISBURSEMENTS (1.1.3.1)--

**Impact: i Creates New Pymt Prctc**

i CREATES NEW PAYMENT PRACTICES (1.1.3.1)--

**Impact: i Elmnts Imprest Fund**

i ELIMINATES IMPREST FUNDS (1.1.3.1)--

**Impact: i Fclt Emplpyee Mblty**

i FACILITATES EMPLOYEE MOBILITY (1.1.3.1)--

**Impact: i Fclts Sngl Src Data**

i FACILITATES SINGLE SOURCE DATA (1.1.3.1)--

**Impact: i Flctg Cntrct Pymt**

i FLUCTUATING CONTRACT PAYMENTS (1.1.3.1)--

**Impact: i Flctg Cntrct Vol**

i FLUCTUATING CONTRACT VOLUME (1.1.3.1)--

**Impact: i Flctg Dfns Emplymt**

i FLUCTUATING DEFENSE EMPLOYMENT (1.1.3.1)--

**Impact: i Flctg Frgn Crncy Cntrct**

i FLUCTUATING FOREIGN CURRENCY CONTRACTS (1.1.3.1)--

**Impact: i Force Strctr Chng**

i FORCE STRUCTURE CHANGES (1.1.3.1)--

**CIM CONTRACT PAYMENT  
IMPACTS**

**Impact: i Gnrtls Adtnl Info Reqrmt**

i GENERATES ADDITIONAL INFORMATION REQUIREMENTS (1.1.3.1)--

**Impact: i Imprvs Cmuncn**

i IMPROVES COMMUNICATIONS (1.1.3.1)--

**Impact: i Imprvs Qlty Of Life**

i IMPROVES QUALITY OF LIFE (1.1.3.1)--

**Impact: i Incrs Acctblty**

i INCREASES ACCOUNTABILITY (1.1.3.1)--

**Impact: i Incrs Bsns Cmplxty**

i INCREASES BUSINESS COMPLEXITY (1.1.3.1)--

**Impact: i Incrs Cmplxty Of Cntrct**

i INCREASES COMPLEXITY OF CONTRACTS (1.1.3.1)--

**Impact: i Incrs Cntrctg Out**

i INCREASES CONTRACTING OUT (1.1.3.1)--

**Impact: i Incrs Cpblty For More Tmly/\***

i INCREASES CAPABILITY FOR MORE TIMELY AND ACCURATE  
INFORMATION (1.1.3.1)--

**Impact: i Incrs Efcncy**

i INCREASES EFFICIENCY (1.1.3.1)--

**Impact: i Incrs Frgn Crncy Pymt**

i INCREASES FOREIGN CURRENCY PAYMENTS (1.1.3.1)--

**Impact: i Incrs Trng/Skl**

i INCREASES TRAINING/SKILLS (1.1.3.1)--

**CIM CONTRACT PAYMENT  
IMPACTS**

**Impact: i Lessens Oprtnnty For Creatvty**

i LESSENS OPPORTUNITY FOR CREATIVITY (1.1.3.1)--

**Impact: i Necsts Chng In Mtvtnl Mthd**

i NECESSITATES CHANGES IN MOTIVATIONAL METHODS (1.1.3.1)--

**Impact: i Necsts Creatv Prsnl Prctc**

i NECESSITATES CREATIVE PERSONNEL PRACTICES (1.1.3.1)--

**Impact: i Necsts Hghly Skld Wrkfrc**

i NECESSITATES HIGHLY SKILLED WORKFORCE (1.1.3.1)--

**Impact: i Prodc Stndrdztn**

i PRODUCES STANDARDIZATION (1.1.3.1)--

**Impact: i Promotes Inovtv Cntrctg/Fnncg**

i PROMOTES INNOVATIVE CONTRACTING AND FINANCING (1.1.3.1)--

**Impact: i Promotes More Expdnt Pymt**

i PROMOTES MORE EXPEDIENT PAYMENTS (1.1.3.1)--

**Impact: i Promotes Varied Fnncg Mthd**

i PROMOTES VARIED FINANCING METHODS (1.1.3.1)--

**Impact: i Provd Oprtnnty For Ecnmy Of Scl**

i PROVIDES OPPORTUNITY FOR ECONOMIES OF SCALE (1.1.3.1)--

**Impact: i Realoct Funds**

i REALLOCATES FUNDS (1.1.3.1)--

**Impact: i Redc Prchlsm**

i REDUCES PAROCHIALISM (1.1.3.1)--

**Impact: i Redc Prsnl**

i REDUCES PERSONNEL (1.1.3.1)--

**CIM CONTRACT PAYMENT  
IMPACTS**

**Impact: i Redcs Relnc On Ppr/Sprtg Systm**

i REDUCES RELIANCE ON PAPER AND SUPPORTING SYSTEMS (1.1.3.1)--

**Impact: i Reqr Chngg Mindset/Mthd**

i REQUIRES CHANGING MIND-SET AND METHODS (1.1.3.1)--

**Impact: i Reqr High Lvl Of Efrt**

i REQUIRES HIGH LEVEL OF EFFORT (1.1.3.1)--

**Impact: i Reqr Imprvd Efcncy/Acrcty**

i REQUIRES IMPROVED EFFICIENCY AND ACCURACY (1.1.3.1)--

**Impact: i Reqr Emphs On Qlty**

i REQUIRES EMPHASIS ON QUALITY (1.1.3.1)--

**Impact: i Reqr Fewer Prsnl**

i REQUIRES FEWER PERSONNEL (1.1.3.1)--

**Impact: i Reqr Flxblty/Respnsvns**

i REQUIRES FLEXIBILITY AND RESPONSIVENESS (1.1.3.1)--

**Impact: i Reqr Hghr Lvl Of Efrt**

i REQUIRES HIGHER LEVEL OF EFFORT (1.1.3.1)--

**Impact: i Reqr Incrsd Cmptr Acptnc**

i REQUIRES INCREASED COMPUTER ACCEPTANCE (1.1.3.1)--

**Impact: i Reqr More Trng**

i REQUIRES MORE TRAINING (1.1.3.1)--

**Impact: i Reqr Spclzd Trng**

i REQUIRES SPECIALIZED TRAINING (1.1.3.1)--

**CIM CONTRACT PAYMENT  
IMPACTS**

**Impact: i Reslts In Bdgtry Chng**

i RESULTS IN BUDGETARY CHANGES (1.1.3.1)--

**Impact: i Reslts In Cngrsnl Attn**

i RESULTS IN CONGRESSIONAL ATTENTION (1.1.3.1)--

**Impact: i Reslts In More Tmly/Acrt Info**

i RESULTS IN MORE TIMELY AND ACCURATE INFORMATION (1.1.3.1)--

**Impact: i Reslts In Stndrdztn/Cnsldtn\***

i RESULTS IN STANDARDIZATION/CONSOLIDATION/STREAMLINING  
(1.1.3.1)--

**Impact: i Strmlns Prchsg**

i STREAMLINES PURCHASING (1.1.3.1)--



	tf Cnsldtn	tf Crdt Cards	tf Electrnc Cnrc	tm Emphs On Qlty	tm Stndrdztn	tp Chngg Thrt	tp Cngrsni Actn	tp DoD Restrctrg	tp Interntl Cpctn	tp Pblc Awrns	ts Chngg Wrkfrc Demogrphcs	ts Envrntl Cnrcn	tt More Autmd Procs
i Necsts Creatv Prsnl Protc												✓	
i Necsts Hghly Skld Wrkfrc													✓
i Prodc Stndrdztn	✓												
i Promotes Inovtv Cntrctg/Fnneg										✓			
i Promotes More Expdnt Pynt									✓				
i Promotes Varied Fnneg Mthd									✓				
Provds Oprtnty For Econmy Of Scl	✓												
Realloc Funds													✓
i Redc Prchism								✓					
i Redc Prsnl								✓					
i Redcs Relnc On Ppr/Sprtg Systm					✓								
i Reqr Chngg Mindset/Mthd						✓							
i Reqr High Lvl Of Efrt						✓							
i Reqr Imprvd Efcncy/Acrncy						✓							
i Reqs Emphs On Qlty												✓	
i Reqs Fewer Prsnl	✓												✓
i Reqs Flxblty/Respnsvns									✓				
i Reqs Hghr Lvl Of Efrt													✓
i Reqs Incrsd Cmptr Acptnc													✓
i Reqs More Trng													✓
i Reqs Spclzd Trng												✓	
i Reslts In Bdgtry Chng									✓				
i Reslts In Cngrsni Attn												✓	
Reslts In More Tmly/Acrt Info						✓							
Reslts In Stndrdztn/Cnsldtn*											✓		
i Strmlns Prchsg	✓												

**CIM CONTRACT PAYMENT  
VISION ELEMENTS**

**Vision Element: vn Flxblty**

vn FLEXIBILITY (1.1.3.2)--The process will be responsive to a changing environment.

Narrative: Currently, multiple stand-alone systems across Department of Defense cannot respond uniformly to changing conditions (e.g. electronic fund transfer (EFT), electronic data interface (EDI), reporting requirements, mobilization and demobilization impacts).

**Vision Element: vn Qlty Svc**

vn QUALITY SERVICE (1.1.3.2)--Customer needs are met in a professional and responsive manner.

Narrative: Currently, the delivery of customer service is limited to the information and time available. Quality service typically is not seen as a principal product.

**Vision Element: vn Unfrmty**

vn UNIFORMITY (1.1.3.2)--Procedures for all functions in Contract Payment's payment process are uniformly applied.

Narrative: Currently, Department of Defense components operate using separate procedures and formats. This leads to inefficiency in communication, "missing" data in the payment system, and increasing Prompt Payment Act interest and penalties. In the future all interfaces will conform to a single set of procedures and formats.

**Vision Element: vo Wrkfrc**

vo WORKFORCE (1.1.3.2)--A small, motivated staff uses advanced skills in an environment that promotes high productivity and efficiency.

Narrative: Much of the current workforce is subject to such factors as: lack of skills, poor training, and substandard workplace environment.

**CIM CONTRACT PAYMENT  
VISION ELEMENTS**

**Vision Element: vp Acctblty**

vp ACCOUNTABILITY (1.1.3.2)--Activities under the control of Contract Payment will be accountable for the quality and regulatory compliance of their data.

Narrative: Currently, lack of standardization and lack of automation inhibits accountability within the Contract Payment process.

**Vision Element: vp Cmplnc**

vp COMPLIANCE (1.1.3.2)--The system conforms to regulatory and audit requirements (e.g., GAO, OMB, Treasury).

Narrative: Some of the current systems do not comply with government standards which affects system integrity (e.g. (1) reduced information credibility, (2) multiple data entry, and (3) limited responsiveness to changing reporting requirements).

**Vision Element: vp Stndrdztn**

vp STANDARDIZATION (1.1.3.2)--Department of Defense (DoD) policy for the payment process is clear and concise.

Narrative: Currently, each DoD component has its own set(s) of regulations that interpret DoD or central agency regulations. In the future a single set of DoD regulations will be used exclusively without supplementation for Contract Payment.

**Vision Element: vt Autmtn**

vt AUTOMATION (1.1.3.2)--The entitlement decision-making system processes actions with minimum human intervention and maximizes paperless transactions.

Narrative: Currently, all systems used in entitlement actions require a varying degree of manual effort often resulting in erroneous and late payments. In the future, maximum automation will discipline the process and minimize errors.

**CIM CONTRACT PAYMENT  
VISION ELEMENTS**

**Vision Element: vt Info Shrg**

vt INFORMATION SHARING (1.1.3.2)--Contract Payment will use unreplicated data from secure systems wherever possible.

Narrative: Currently, many systems replicate information already resident in other databases. This increases the opportunity for errors and delays in the process. In the future, the data will reside only in the originator's database and be accessible by other users through standard interfaces.

**CIM CONTRACT PAYMENT  
VISION ELEMENTS**

OPERATION

**FLEXIBILITY:**

The process will be responsive to a changing environment.

**Narrative:** Currently, multiple stand-alone systems across Department of Defense cannot respond uniformly to changing conditions (e.g. electronic fund transfer (EFT), electronic data interface (EDI), reporting requirements, mobilization and demobilization impacts).

**QUALITY SERVICE:**

Customer needs are met in a professional and responsive manner.

**Narrative:** Currently, the delivery of customer service is limited to the information and time available. Quality service typically is not seen as a principal product.

**UNIFORMITY:**

Procedures for all functions in Contract Payment's payment process are uniformly applied.

**Narrative:** Currently, Department of Defense components operate using separate procedures and formats. This leads to inefficiency in communication, "missing" data in the payment system, and increasing Prompt Payment Act interest and penalties. In the future all interfaces will conform to a single set of procedures and formats.

ORGANIZATION

**WORKFORCE:**

A small, motivated staff uses advanced skills in an environment that promotes high productivity and efficiency.

**Narrative:** Much of the current workforce is subject to such factors as: lack of skills, poor training, and substandard workplace environment.

## **CIM CONTRACT PAYMENT VISION ELEMENTS**

### **POLICY**

#### **ACCOUNTABILITY:**

Activities under the control of Contract Payment will be accountable for the quality and regulatory compliance of their data.

**Narrative:** Currently, lack of standardization and lack of automation inhibits accountability within the Contract Payment process.

#### **COMPLIANCE:**

The system conforms to regulatory and audit requirements (e.g., GAO, OMB, Treasury).

**Narrative:** Some of the current systems do not comply with government standards which affects system integrity (e.g. (1) reduced information credibility, (2) multiple data entry, and (3) limited responsiveness to changing reporting requirements).

#### **STANDARDIZATION:**

Department of Defense (DoD) policy for the payment process is clear and concise.

**Narrative:** Currently, each DoD component has its own set(s) of regulations that interpret DoD or central agency regulations. In the future a single set of DoD regulations will be used exclusively without supplementation for Contract Payment.

### **TECHNOLOGY**

#### **AUTOMATION:**

The entitlement decision-making system processes actions with minimum human intervention and maximizes paperless transactions.

**Narrative:** Currently, all systems used in entitlement actions require a varying degree of manual effort often resulting in erroneous and late payments. In the future, maximum automation will discipline the process and minimize errors.

CIM CONTRACT PAYMENT  
VISION ELEMENTS

**INFORMATION SHARING:**

Contract Payment will use unreplicated data wherever possible.

**Narrative:** Currently, many systems replicate information already resident in other databases. This increases the opportunity for errors and delays in the process. In the future, the data will reside only in the originator's database and be accessible by other users through standard interfaces.

**CIM CONTRACT PAYMENT  
VISION NARRATIVE**

Within Contract Payment, we envision standardized policy with uniform application disciplined through a fully automated state-of-the-art system which minimizes human intervention and complies with all regulatory requirements. The process will require shared unreplicated information which is established at source. Contract Payment functional activities will be accountable for their data. The Contract Payment system will be a flexible process which is responsive to a changing environment, and utilizes a highly skilled workforce to provide a quality service.

## **CIM CONTRACT PAYMENT DEFINITIONS**

1. **Acceptance Activity:** Individual or organization that takes title to the goods or services for the government (e.g. COTR, COR).
2. **Acceptance Report Information:** A formal certification that the goods or services have been received and that they conform to the terms of the contract or like agreement. (Ref: DoD 7220.9-M)
3. **Accounting Office:** Organization that controls and maintains official accounting records.
4. **Accounts Payable:** Amounts owed by the accounting entity for goods and services received. (Ref: DoD 7220.9-M)
5. **Analysis and Reconciliation:** Expeditiously resolve missing or erroneous information pertaining to contractual payments. Facilitate application of collections to proper accounts.
6. **Analysis and Reconciliation Unit:** Takes necessary action to obtain missing information or to correct erroneous information in a timely manner and facilitates application of collections to the proper accounts.
7. **Budget Office:** The organization responsible for the formulation, execution and control of resources (appropriated or reimbursable).
8. **Cash Management:** Practices and techniques designed to accelerate and control collections, ensure prompt deposit of receipts, improve control over disbursement methods and eliminate idle cash balances (Treasury Financial Manual, Vol 1, para. 6-8020).
9. **Collection:** A receipt by the Federal Government of financial consideration.
10. **Congress:** Elected representatives of the United States, their staffs, and General Accounting Office (GAO) (appropriation, inquiry and oversight).
11. **Contract:** An agreement between DoD and the private sector for which financial consideration is exchanged for performance.
12. **Contracting Officer:** A person with a warrant and authority to enter into (PCO), administer (ACO) and/or terminate (TCO) contracts and make related determinations and findings.

**CIM CONTRACT PAYMENT  
DEFINITIONS**

13. **Contracting Officer's Technical Representative (COTR) or Contracting Officer's Representative (COR):** A person who acts for the Contracting Officer through delegation in a specific area(s).
14. **Contractor:** See Vendor/Contractor/Supplier definition.
15. **Contractual:** Refer either to contracts or like-agreements.
16. **Customer Satisfaction:** Goodwill resulting from timely and accurate payments and responses (i.e., the absence of negative feedback).
17. **Customer Service:** Answer inquiries regarding entitlement and reporting requirements.
18. **Customer Service Unit:** Answers inquiries pertaining to entitlement and provides consolidated information necessary for ad hoc reports.
19. **Defense Contract Audit Agency (DCAA):** The agency providing information regarding a contractor's cost/price development. They are responsible for certifying the contractor's accounting system, auditing incurred costs and reviewing the contractor's estimating system. Similar functions may be performed by other audit organizations (e.g. USACE).
20. **Disbursing Office:** Organization authorized to make outlays and deposit receipts.
21. **DoD Personnel:** Military personnel and individual direct or indirect-hire civilian employees for whom DoD determines individual entitlement (e.g., SES, GM, GS, Wage Grade and foreign national).
22. **Entitlement:** A determination that establishes eligibility to receive payment.
23. **Entitlement Data:** Inclusive information (to include payment terms and conditions, accounts payable, request for payments, etc.) that satisfies all requirements and limitations necessary for determining contract or like-agreement payments.
24. **Entitlement Determination:** Review information to assure that payment terms and conditions have been satisfied. Determine gross amount due.

**CIM CONTRACT PAYMENT  
DEFINITIONS**

25. **Entitlement Determination Unit:** Reviews entitlement data; determines if payments terms and conditions have been satisfied; determines gross amount due.
26. **Financial Consideration:** A tender of money (i.e., cash, checks and other financial instruments), Electronic Fund Transfers (EFT), and similar intergovernmental transfers.
27. **Foreign Military Sales Managers:** Individuals ultimately responsible for the implementation and control of agreements for goods and services furnished to foreign countries.
28. **High Level of Effort:** That degree of endeavor necessary to assure that quality performance and customer satisfaction are achieved.
29. **Inventory Control Point (ICP):** The organizational element responsible for system-wide direction and control of material. Acts as buyer and seller.
30. **Legal Offices (Staff Judge Advocate):** Activity that renders legal opinions or decisions on claims for or against the Federal government.
31. **Like-Agreement:** An understanding within DoD or between DoD and other governmental elements (federal, state, local, international) for which financial consideration is exchanged for performance.
32. **Mission Management:** Receives and reviews contractual payment quantitative and qualitative data and provides direction for the payment process.
33. **Offset/Set Off:** A deduction of financial consideration due the Federal Government from that due a vendor/contractor/supplier prior to issuance of payment. (This may not apply to inter-governmental agreements.)
34. **Order Accepting Official:** A person at the performing activity with authority to sign like-agreements (includes reimbursable work for Non-appropriated Fund instrumentalities).
35. **Ordering Official:** A person likened to a contracting officer and performing similar functions in relations to like-agreements.

**CIM CONTRACT PAYMENT  
DEFINITIONS**

- 36. **Other Government Agencies:** Government activities outside DoD (e.g. Federal, State, Local, International).
- 37. **Payment:** A disbursement of financial consideration by the Federal Government.
- 38. **Payment Request:** Notification that constitutes a contractor's/vendor's supplier's demand for payment.
- 39. **Payment Request Control:** Receive, verify and manage requests for payment on contracts and like-agreements.
- 40. **Payment Request Control Unit:** Receives invoices, billings, progress and advance payment requests and vouchers, checks validity of information; records date of receipt and maintains status of payment requests.
- 41. **Payment Scheduling:** Manage pending payments in accordance with laws and regulatory guidance; determine net amount due and certify for release.
- 42. **Payment Scheduling Unit:** Controls pending payments; programs pending payments for disbursement in accordance with law and regulatory guidance (for the designated payment medium); determines net amount due and approves payment for release.
- 43. **Payment Terms and Conditions:** Requirements or limitations for determining proper entitlement.
- 44. **Private Interests:** Individuals or organizations, other than customers, generating inquiries (e.g. taxpayers, media).
- 45. **Program Manager:** Individual responsible for the implementation and control of agreements at the lowest financial level. Depending on funding, this may be an individual project or a group of projects.
- 46. **Quality Assurance Evaluator:** Individual who performs ordering and receiving functions for tenant organizations at Air Force base level.
- 47. **Set-off:** See Offsets/Set-off definition.
- 48. **Supplier:** See Vendor/Contractor/Supplier definition.

**CIM CONTRACT PAYMENT  
DEFINITIONS**

- 49. **Transportation Officers:** A person responsible for validating charges on vendor invoices referred by Contract Payment functions.
- 50. **Vendor/Contractor/Supplier:** Individual and government or non-government organization that sells goods and/or services to an element within DoD.
- 51. **Workforce:** All DoD personnel assigned for any purpose.